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Main Document

Case 8:25-ap-01105-SC

MOTION TO LIFT STAY

Plaintiff Richard A. Marshack, as the Trustee of the LPG Liquidation Trust, moves the Court for an Order to lift the stays entered by this Court on March 31, 2025 [Docket No. 12] and June 4, 2025 [Docket No. 158] (the "Stays").

RECITALS

- A. Debtor, the Litigation Practice Group P.C. ("Debtor") filed a voluntary petition for relief under Chapter 11 of Title 11 of the United States Code, on March 20, 2023 ("Petition Date"). Trustee was appointed on or about May 8, 2023 following the entry of an Order Directing United States Trustee to Appoint Chapter 11 Trustee [Bankr. Dkt. No. 58] on May 4, 2023.
- B. On March 10, 2025, Trustee filed this adversary proceeding against (among others) Shia Dembitzer ("Dembitzer") and World Global Fund, LLC, MNS Funding, LLC, and SSD Investment Group, LLC (the "Entities). In his complaint, Trustee asserted that Dembitzer and the Entities received and assisted Debtor in fraudulently transferring approximately \$20,000,000. Additionally, Trustee asserted that Dembitzer wrongfully withheld and diverted approximately \$4,800,000 from the Debtor. [Docket No. 1].
- C. Prior to the answer date, Dembitzer contacted Trustee requesting a stay of the proceedings. Trustee agreed to temporarily stay the proceedings to allow for the exchange of documents and information that could assist Trustee's recovery of the fraudulent transfers, the wrongfully withheld funds, and the additional funds not less than \$189,000,000 as a result of Dembitzer's assistance with Debtor's fraud.
- D. Trustee filed the Stipulation to Temporarily Stay Proceedings and Continue All Associated Dates on March 28, 2025 [Docket No. 11].
- E. This Court approved the Stipulation and set the Answer Date for Shia Dembitzer for October 14, 2025. [Docket No. 12].
- F. Subsequent to the entry of the first stay, on April 11, 2025, Dembitzer requested a stay of the Adversary Proceeding against World Global Fund, LLC and MNS Funding, LLC. The Trustee further determined that a stay as to SSD Investment Group, LLC was appropriate as Dembitzer is the authorized representative of SSD Investment Group, LLC.
- G. Trustee agreed to stipulate to a stay as to the listed Entities to allow for the exchange of documents and information that may assist in Trustee's recovery of the fraudulent transfers as a result of Dembitzer and the Entities' assistance with and participation in the Debtor's fraud.
 - H. Trustee filed a second Stipulation with the Court on May 30, 2025 [Docket No. 156]

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1			Attorneys for Richard A. Marshack,	Plaintiff
2			and Trustee of the LPG Liquidation Tr	rust
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Richard A. Marshack, Trustee of the LPG Liquidation Trust,

Plaintiff,

V.

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World Global Fund, LLC, et al.

Defendants.

DECLARATION OF KAREN S. HOCKSTAD IN SUPPORT OF INTIFF'S REQUEST TO LIFT DEMBITZER, WORLD GLOBAL FUND, LLC, MNS FUNDING, LLC AND SSD INVESTMENT GROUP.

Judge: Hon. Scott C. Clarkson

I, KAREN S. HOCKSTAD, declare as follows:

- 1. I am an attorney duly licensed to practice law and admitted to practice before this Court pro hac vice. I am a partner with the law firm Dinsmore & Shohl LLP, and counsel of record for Richard A. Marshack, Trustee ("Trustee") of the LPG Liquidation Trust. As such, except as expressly stated otherwise, I have personal knowledge of the facts as set forth below and could and would competently testify under oath thereto if requested to do so.
- 2. I make this declaration in support of the Motion to Lift the Stay as to Shia Dembitzer, World Global Fund, LLC, MNS Funding, LLC, and SSD Investment Group, LLC submitted concurrently herewith.
- On March 10, 2025, on behalf of Plaintiff, my office filed this adversary 3. Proceeding") Shia proceeding ("Adversary against Dembitzer ("Dembitzer"), and World Global Fund, LLC, MNS Funding, LLC and SSD Investment Group, LLC (the "Entities"). In his complaint, Trustee asserted that Dembitzer and the Entities received and assisted Debtor in fraudulently transferring approximately \$20,000,000. Additionally, Trustee asserted that Dembitzer and the Entities wrongfully withheld and diverted approximately \$4,800,000 from the Debtor. [Docket No. 1].
- 4. Prior to the answer date, Dembitzer contacted Trustee requesting a stay of the proceedings; Trustee agreed to temporarily stay the proceedings to allow for

- the exchange of documents and information that could assist Trustee's recovery of the fraudulent transfers, the wrongfully withheld funds, and the additional funds not less than \$189,000,000 as a result of Dembitzer's assistance with Debtor's fraud.
- 5. Trustee filed the Stipulation to Temporarily Stay Proceedings and Continue All Associated Dates on March 28, 2025. [Docket No. 11].
- 6. This Court approved the Stipulation and set October 14, 2025, as the Answer Date for Dembitzer. [Docket No. 12].
- 7. Subsequent to the Entry of the first stay, on April 11, 2025, Dembitzer requested a stay of the Adversary Proceeding against World Global Fund, LLC and MNS Funding, LLC. The Trustee further determined that a stay as to SSD Investment Group, LLC was appropriate as Dembitzer is the authorized representative of SSD Investment Group, LLC as well as World Global Fund, LLC and MNS Funding, LLC.
- 8. Trustee agreed to stipulate to a stay as to the listed Entities to allow for the exchange of documents and information that may assist in Trustee's recovery of the fraudulent transfers as a result of Dembitzer and the Entities' assistance with and participation of the Debtor's fraud.
- 9. Trustee filed a second Stipulation with the Court of May 30, 2025 [Docket No. 156] which was approved by this Court on June 4, 2025. [Docket No. 158].
- 10. Despite the clear terms of the Stipulations, Dembitzer and the Entities have failed to cooperate with Trustee in producing documents, responding to inquiries, and assisting in the recovery of the fraudulently transferred funds.
- 11. On June 9, 2025, counsel for the Trustee requested that Mr. Dembitzer produce all email communications and test messages from 2021 and 2022. He claimed not to have any messages but would try to pull together his emails.

12. On June 17, 2025, counsel for the Trustee follow up with Mr. Dembitzer by 1 2 phone and text message to request the emails and text messages. 3 13. On June 26, 2025, counsel for the Trustee again followed up with Mr. 4 Dembitzer via text message and received no response. 5 14. On July 1, 2025, counsel for the Trustee sent an email to Mr. Dembitzer again 6 requesting information. 7 15. On July 21, 2025, counsel for the Trustee sent an email request to Mr. 8 Dembitzer for the EIN for MNS Funding, LLC. Mr. Dembitzer has, to date, 9 not sent this information. 10 16. On July 31, 2025, counsel for the Trustee sent an email request for additional 11 information from Mr. Dembitzer wo which Mr. Dembitzer did not respond. 12 17. On August 18, 2025, counsel for Trustee sent two emails for additional 13 information along with previously requested information. Mr. Dembitzer 14 responded stating it is his belief that there is no need to share documentation 15 with counsel. 16 18. To date, counsel for Trustee has not received any emails, text messages, 17 syndication sheets or other documents as identified herein. 18 I declare under penalty of perjury under the laws of the United States of America 19 that the foregoing is true and correct. Executed this 4th day of September 2025 at 20 Columbus, Ohio. 21 22 Dated: 9/4/2025 /s/ Karen S. Hockstad Karen S. Hockstad 23 24 25 26

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PROOF OF SERVICE OF DOCUMENT

I am over the age of 18 and not a party to this bankruptcy case or adversary proceeding. My business address is: Dinsmore and Shohl LLP, 191 W. Nationwide BLVD, Suite 200, Columbus, OH 43215

A true and correct copy of the foregoing document ent	offied (specify):DEFENDANT SHIA DEMBITZER, WORLD GLOBAL FUND, LLC,
MNS FUNDING, LLC AND SSD INVESTMENT GROU	
will be served or was served (a) on the judge in chamber the manner stated below:	pers in the form and manner required by LBR 5005-2(d); and (b) in
Orders and LBR, the foregoing document will be serve 09/04/2025 , I checked the CM/ECF docket for	F ELECTRONIC FILING (NEF): Pursuant to controlling General ed by the court via NEF and hyperlink to the document. On (date) this bankruptcy case or adversary proceeding and determined that e List to receive NEF transmission at the email addresses stated
angelica.urena@dinsmore.com; karen.hockstad@dinsmore.com; kim. Yosina.Lissebeck@Dinsmore.com; caron.burke@dinsmore.com; ayrto vnewmark@pszjlaw.com; hdaniels@pszjlaw.com; bdassa@pszjlaw.co	beavin@dinsmore.com; matthew.sommer@dinsmore.com; carrie.davis@dinsmore.com; on.celentino@dinsmore.com; hwinograd@pszjlaw.com; ikharasch@pszjlaw.com; om; charwood@maglaw.com; tgoodcohn@maglaw.com; Richard A. Marshack (TR) del@salvatoboufadel.com; hmosothoane@hinshawlaw.com; crico@hinshawlaw.com; ndonnaor.com; United States Trustee ustpregion16.sa.ecf@usdoj.gov
	Service information continued on attached page
case or adversary proceeding by placing a true and confirst class, postage prepaid, and addressed as follows judge will be completed no later than 24 hours after the	United States Bankruptcy Court, Ronald Reagan Federal Building
and Courthouse 411 West Found Cheek, Cuite 5100	Service information continued on attached page
for each person or entity served): Pursuant to F.R.Civ the following persons and/or entities by personal delive such service method), by facsimile transmission and/or	HT MAIL, FACSIMILE TRANSMISSION OR EMAIL (state method r.P. 5 and/or controlling LBR, on (date), I served ery, overnight mail service, or (for those who consented in writing to or email as follows. Listing the judge here constitutes a declaration ge will be completed no later than 24 hours after the document is
I declare under penalty of perjury under the laws of the	Service information continued on attached page a United States that the foregoing is true and correct.
09/04/2025 Karen S. Hockstad	/s/ Karen S. Hockstad
Date Printed Name	Signature

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Funding Gateway, Inc.
Mark Fuchs c/o The Corporation
5314 16th Avenue, Suite 139
Brooklyn, NY 11204

MNS Funding, LLC and each of its assumed names c/o Shia Dembitzer 202 Foster Avenue, Apt. 5 Brooklyn, NY 11230

SSD Investment Group, LLC 14400 Bear Valley Rd., Space 527 Victorville, CA 92394

World Global Fund, LLC
and each of its assumed names
c/o Shia Dembitzer
202 Foster Avenue, Apt. 5
Brooklyn, NY 11230
WORLD GLOBAL FUND, LLC n/k/a Glass Media, LLC
Andrew Pierce
c/o Cloud Peak Law
1095 Sugar View Drive, Suite 500
Sheridan, WY 82801

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Mark Fuchs c/o File Right RA Services, LLC

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Shia Dembitzer 202 Foster Avenue, Apt. 5 Brooklyn, NY 11230

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SSD Investment Group, LLC Attn: Shia Dembitzer 7901 4th Street N., Suite 5765 St. Petersburg, FL 33702

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And each of its assumed names
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